

Housing Innovations in Energy Efficiency (HIEE) Program

Third Stakeholder Advisory Group and Public Meeting

January 26, 2020

10:00 am – 12:00 pm

Department of Housing and Community Development is committed to creating safe, affordable and prosperous communities to live, work and do business in Virginia.



Agenda Outline

- I. Welcome and introductions
- II. Stakeholder Advisory Group – Roll call
- III. HIEE proposed timeline and funding areas; working groups
- IV. Income qualification guidelines
- V. Advisory Group Discussion
- VI. Public Comments
- VII. 2018 Virginia Energy Code Updates
- VIII. Closing discussion and recommendations summary

HIEE Program Development – Tentative Timeline

- November 2020 - Named agency meetings (DEQ, DHCD, DMME)
- December 15, 2020 – First Advisory Group public meeting
- January, 2021 – Additional Advisory Group meetings (Jan. 13 and 26)
- February 2021 – FY '21 draft allocation percentages developed, and reviewed by Advisory Group
- Mid-March 2021 – Review RGGI auction results; proposed funding areas and allocation percentages reviewed by Governor's and SOCT's office
- Mid-April 2021 – Program-specific draft guidelines ready for discussion

Proposed HIEE funding buckets

- I. Affordable and Special Needs Housing (ASNH) - Serve additional households; increase energy efficiency and health and safety requirements
- II. Weatherization Assistance Program (WAP) - Address deferrals and serve additional households
- III. Housing Innovation Partnerships (HIP) Grants – Foster innovative and scalable solutions to increase access to energy efficient affordable housing in the Commonwealth

Proposed Working Groups

1. HEDCs – Focused on ensuring HIEE is identifying and serving these communities well
2. Affordable and Special Needs Housing – Focused on additional energy efficiency and health and safety requirements to access HIEE funds

Tentative schedule:

- Working groups to meet early to mid-February and develop recommendations
- Advisory Group to reconvene late February

Serving Low-Income Communities

Historically Economically Disadvantaged Communities (HEDCs)
definition from VA Clean Economy Act:

"Historically economically disadvantaged community" means (i) a community in which a majority of the population are people of color or (ii) a low-income geographic area."

HB 981 (2020) Low-income geographic area (language is specific to VA Community Flood Preparedness Fund):

"Low-income geographic area" means any locality, or community within a locality, that has a median household income that is not greater than 80 percent of the local median household income, or any area in the Commonwealth designated as a qualified opportunity zone by the U.S. Secretary of the Treasury via his delegation of authority to the Internal Revenue Service

Low to moderate income definition in ASNH guidelines: *Beneficiaries must be at 80 percent or less area median income for competitive loan pool*

Weatherization Assistance Program

- Provides FREE energy conservation measures to low income households (those at or below 60% of state median income – currently \$62,791 for family of 4)
- Prioritizes the elderly, persons with disabilities and families with children

ASNH Program Income Guidelines

	VA -HTF	HOME	NHTF	PSH
Total Amount	\$16,680,000*	\$7,547,851	\$5,552,095	\$500,000
Project limits	\$700K - \$900K	\$700K - \$900K	\$700K - \$900K	\$500K
Geographic Targeting	Statewide	Preference for non-entitlement	Statewide	Statewide
Match	NA	25% entitlements	NA	NA
Mix-Income Projects	✓	✓	✓	✓
Homebuyer Projects	✓	✓	NA	NA
Assisted Units (income)	80% or below AMI	60% or below AMI 80% or below (homebuyer)	30% or below AMI	30% or below AMI
Assisted Units (rent limits)	Project Specific	HOME	NHTF	Project Specific
Affordability	30 yrs. 5 yrs. Homebuyer	30 years Homebuyer (5-20 yrs.)	30 yrs.	20 yrs.

2018 significant changes to the Residential Energy Efficiency provisions:

- **Blower door testing:** Removes the visual option for verifying building envelope air tightness, requiring blower door testing. Maintains the 2015 leakage rate of 5 Air Changes per Hour (ACH).
- **Ceiling Insulation:** Minimum ceiling insulation was increased from R-38 to R-49, consistent with the 2018 IRC requirement.
- **REScheck Compliance Option:** When REScheck is utilized as a compliance path, the calculations are based on the 2018 IECC, without any Virginia amendments
- **Certificate Required:**
 - R-values of insulation installed
 - U-factors and solar heat gain coefficient of fenestration
 - Results of required duct system and building envelope air leakage testing performed
 - Types and efficiencies of the heating, cooling and water heating equipment
 - Whether there is a gas-fired, unvented room heater, electric furnace, or baseboard electric heater installed (efficiency shall not be indicated for these)

Next Steps...

- The approved changes to the code are awaiting approval from the governor.
- Publication in Virginia Register will likely occur in March/April.
- The date for 2018 codes to go into effect is yet to be determined – tentatively planning for July – Sept.
- Updates to the 2021 Energy Code will begin soon after the effective date of the 2018 Codes.